

#OjoALaJunta



**In *Espacios Abiertos* we have identified instances where PROMESA mentions documents that the Financial Oversight Board will receive, produce or guard, as well as meetings or processes that will be held.**

**What information is public and what is confidential under PROMESA?  
Will the reports, contracts, analyses, certifications and other documents produced under this law be available to the general public?**

**In Puerto Rico there is a constitutional right of access to information.  
Will the Financial Oversight Board respect that right?**



## CONFIDENTIAL

SEC. 101. (h)(4) EXECUTIVE SESSION	Upon a majority vote of the Oversight Board's full voting membership, the Oversight Board may conduct its business in an executive session that consists solely of the Oversight Board's voting members and any professionals the Oversight Board determines necessary and is closed to the public, but only for the business items set forth as part of the vote to convene an executive session.
SEC. 208. (b) REPORT ON DISCRETIONARY TAX ABATEMENT AGREEMENTS (2)	Within six months of the establishment of the Oversight Board, the Governor shall submit a report to the Oversight Board documenting all existing discretionary tax abatement or similar tax relief agreements to which the territorial government, or any territorial instrumentality, is a party, provided that [...] (2) the members and staff of the Oversight Board shall not disclose the contents of the report described in this sub-section, and shall otherwise comply with all applicable territorial and Federal laws and regulations regarding the handling of confidential taxpayer information.



## PUBLIC



SEC. 101. (h) ADOPTION OF BYLAWS FOR CONDUCTING	As soon as practicable after the appointment of all members and appointment of the Chair, the Oversight Board shall adopt bylaws, rules, and procedures governing its activities under this Act, including procedures for hiring experts and consultants. Such bylaws, rules, and procedures shall be public
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BUSINESS OF OVERSIGHT BOARD (1) IN GENERAL	documents, and shall be submitted by the Oversight Board upon adoption to the Governor, the Legislature, the President, and Congress. The Oversight Board may hire professionals as it determines to be necessary to carry out this Act.
SEC. 104. (e) GIFTS, BEQUESTS, AND DEVISES	The Oversight Board may accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Oversight Board. Gifts, bequests, or devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in such account as the Oversight Board may establish and shall be available for disbursement upon order of the Chair, consistent with the Oversight Board's bylaws, or rules and procedures. All gifts, bequests or devises and the identities of the donors shall be publicly disclosed by the Oversight Board within 30 days of receipt.
SEC. 104. (o) INVESTIGATION OF DISCLOSURE AND SELLING PRACTICES, and (p) FINDINGS OF ANY INVESTIGATION	<p>The Oversight Board may investigate the disclosure and selling practices in connection with the purchase of bonds issued by a covered territory for or on behalf of any retail investors including any underrepresentation of risk for such investors and any relationships or conflicts of interest maintained by such broker, dealer, or investment adviser is as provided in applicable laws and regulations.</p> <p>The Oversight Board shall make public the findings of any investigation referenced in subsection (o).</p>
SEC. 204. (b) EFFECT OF APPROVED FISCAL PLAN ON CONTRACTS, RULES, AND REGULATIONS (1) TRANSPARENCY IN CONTRACTING	The Oversight Board shall work with a covered territory's office of the comptroller or any functionally equivalent entity to promote compliance with the applicable law of any covered territory that requires agencies and instrumentalities of the territorial government to maintain a registry of all contracts executed, including amendments thereto, and to remit a copy to the office of the comptroller for inclusion in a comprehensive database available to the public. With respect to Puerto Rico, the term "applicable law" refers to 2 L.P.R.A. 97, as amended.
SEC. 304. PETITION AND PROCEEDINGS RELATING TO PETITION (a) COMMENCEMENT OF CASE	A voluntary case under this title is commenced by the filing with the district court of a petition by the Oversight Board pursuant to the determination under section 206 of this Act.
<p>The remaining dispositions of Title III ("Adjustments of Debts") are not included in this document since the Federal Rules of Bankruptcy apply.</p>	
SEC. 503. (b) CRITICAL PROJECT REPORT	<p><b>(1) IN GENERAL.</b>—For each submitted project, the Revitalization Coordinator in consultation with the Governor and relevant Puerto Rico Agencies identified in subsection (a)(2) shall develop a Critical Project Report within 60 days of the project submission, which shall include:</p> <p>(A) An assessment of how well the project meets the criteria in subsection (a)(1).</p> <p>(B) A recommendation by the Governor whether the project should be considered a Critical Project. If the Governor fails to provide a recommendation during the development of the Critical Project Report, the failure shall constitute a concurrence with the Revitalization Coordinator's recommendation in subparagraph (E).</p> <p>(C) In the case of a project that may affect the implementation of Land-Use Plans, as defined by Puerto Rico Act 550–2004, a determination by the Planning Board will be required within the 60-day timeframe. If the Planning Board determines such project will be inconsistent with relevant Land-Use Plans, then the project will be deemed ineligible for Critical Project designation.</p> <p>(D) In the case of an Energy Project that will connect with the Puerto Rico Electric Power Authority's transmission or distribution facilities, a recommendation by the Energy Commission of Puerto Rico, if the Energy Commission determines such Energy Project will affect an approved Integrated Resource Plan, as defined under Puerto Rico Act 54–2014. If the Energy Commission determines the Energy Project will adversely affect an approved Integrated Resource Plan, then the Energy Commission shall provide the reasons for such determination and the Energy Project shall be ineligible for Critical Project designation, provided that such determination must be made during the 60- day timeframe for the development of the Critical Project Report.</p> <p>(E) A recommendation by the Revitalization Coordinator whether the project should be considered a Critical Project.</p> <p><b>(2) PUBLIC INVOLVEMENT.</b>—Immediately following the completion of the Critical Project Report, the Revitalization Coordinator shall make such Critical Project Report public and allow a period of 30 days for the submission of comments by residents of Puerto Rico specifically on matters relating to the</p>




	<p>designation of a project as a Critical Project. The Revitalization Coordinator shall respond to the comments within 30 days of closing the coming period and make the responses publicly available.</p> <p>(cont.)</p> <p>(3) <b>SUBMISSION TO OVERSIGHT BOARD.</b>-Not later than 5 days after the Revitalization Coordinator has responded to the comments under paragraph (2), the Revitalization Coordinator shall submit the Critical Project Report to the Oversight Board.</p>
<b>SEC. 504. (f) DISCLOSURE</b>	All Critical Project reports, and justifications for approval or rejection of Critical Project status, shall be made publicly available online within 5 days of receipt or completion.



## UNCLEAR WHETHER PUBLIC OR CONFIDENTIAL OR WHEN IT WILL BE RELEASED

<b>SEC. 101. (d) (1) (B) BUDGETS AND REPORTS, and (C) SEPARATE INSTRUMENTALITY BUDGETS AND REPORTS</b>	<p>The Oversight Board may require, in its sole discretion, the Governor to submit to the Oversight Board such budgets and monthly or quarterly reports regarding a covered territorial instrumentality as the Oversight Board determines to be necessary and may designate any covered territorial instrumentality to be included in the Territory Budget; except that the Oversight Board may not designate a covered territorial instrumentality to be included in the Territory Budget if applicable territory law does not require legislative approval of such covered territorial instrumentality's budget.</p> <p>The Oversight Board in its sole discretion may or, if it requires a budget from a covered territorial instrumentality whose budget does not require legislative approval under applicable territory law, shall designate a covered territorial instrumentality to be the subject of an Instrumentality Budget separate from the applicable Territory Budget and require that the Governor develop such an Instrumentality Budget.</p> <p> Update: The Board has published on its website the budgets for covered territorial instrumentalities.</p>
<b>SEC. 103. EXECUTIVE DIRECTOR AND STAFF OF OVERSIGHT BOARD (a) EXECUTIVE DIRECTOR, and (b) STAFF</b>	<p>The Oversight Board shall have an Executive Director who shall be appointed by the Chair with the consent of the Oversight Board. The Executive Director shall be paid at a rate determined by the Oversight Board.</p> <p>With the approval of the Chair, the Executive Director may appoint and fix the pay of additional personnel as the Executive Director considers appropriate, except that no individual appointed by the Executive Director may be paid at a rate greater than the rate of pay for the Executive Director unless the Oversight Board provides for otherwise. The staff shall include a Revitalization Coordinator appointed pursuant to Title V of this Act. Any such personnel may include private citizens, employees of the Federal Government, or employees of the territorial government, provided, however, that the Executive Director may not fix the pay of employees of the Federal Government or the territorial government.</p> <p> Update: The Board has published on its website the contracts for its Executive Director and staff. The contracts include salary information.</p>

<p><b>SEC. 104. POWERS OF OVERSIGHT BOARD (a) HEARINGS AND SESSIONS</b></p>	<p>The Oversight Board may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Oversight Board considers appropriate. The Oversight Board may administer oaths or affirmations to witnesses appearing before it.</p> <p>(cont.)</p>  <p>Update as per the Board's Bylaws as amended:</p> <p><b>Section 4.6 Public meetings:</b> [...] [A]ll meetings of the Board at which official action of any kind is taken shall be open to the public. [...]</p> <p><b>Section 4.8 Public hearings:</b> In accordance with section 104(a) of the Act, the Board, or any member of the Board designated by the Chair, may hold public hearings, take testimony, and receive evidence as the Board considers appropriate to assist it in carrying out the Act. [...] Notice of such hearings shall be given within the time and in the manner described in section 4.6 of the Bylaws.</p>
<p><b>SEC. 104. (c) OBTAINING OFFICIAL DATA</b></p>	<p><b>(1) FROM FEDERAL GOVERNMENT.</b>—Notwithstanding sections 552 (commonly known as the Freedom of Information Act), 552a (commonly known as the Privacy Act of 1974), and 552b (commonly known as the Government in the Sunshine Act) of title 5, United States Code, the Oversight Board may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act, with the approval of the head of that department or agency.</p> <p><b>(2) FROM TERRITORIAL GOVERNMENT.</b>—Notwithstanding any other provision of law, the Oversight Board shall have the right to secure copies, whether written or electronic, of such records, documents, information, data, or metadata from the territorial government necessary to enable the Oversight Board to carry out its responsibilities under this Act. At the request of the Oversight Board, the Oversight Board shall be granted direct access to such information systems, records, documents, information, or data as will enable the Oversight Board to carry out its responsibilities under this Act. The head of the entity of the territorial government responsible shall provide the Oversight Board with such information and assistance (including granting the Oversight Board direct access to automated or other information systems) as the Oversight Board requires under this paragraph.</p>
<p><b>SEC. 104. (d) OBTAINING CREDITOR INFORMATION (1), and (3)</b></p>	<p>Upon request of the Oversight Board, each creditor or organized group of creditors of a covered territory or covered territorial instrumentality seeking to participate in voluntary negotiations shall provide to the Oversight Board, and the Oversight Board shall make publicly available to any other participant, a statement setting forth— (A) the name and address of the creditor or of each member of an organized group of creditors; and (B) the nature and aggregate amount of claims or other economic interests held in relation to the issuer as of the later of— (i) the date the creditor acquired the claims or other economic interests or, in the case of an organized group of creditors, the date the group was formed; or (ii) the date the Oversight Board was formed.</p> <p>The Oversight Board may request supplemental statements to be filed by each creditor or organized group of creditors quarterly, or if any fact in the most recently filed statement has changed materially.</p>
<p><b>SEC. 104. (g) AUTHORITY TO ENTER INTO CONTRACTS</b></p>	<p>The Executive Director may enter into such contracts as the Executive Director considers appropriate (subject to the approval of the Chair) consistent with the Oversight Board's bylaws, rules, and regulations to carry out the Oversight Board's responsibilities under this Act.</p>  <p>Update as per the Board's Bylaws as amended:</p> <p><b>Section 11.3 Public disclosure (b):</b> Beginning February 28, 2017, such public disclosure shall include, among other things, all contracts executed by the Board; <i>provided</i> that such publication shall be subject to redaction of personal identification information contained in the contract (such as social security numbers, personal addresses and personal telephone numbers) and privileged or other protected information.</p>
<p><b>SEC. 104. (j) VOLUNTARY AGREEMENT CERTIFICATION (1) IN GENERAL</b></p>	<p>The Oversight Board shall issue a certification to a covered territory or covered territorial instrumentality if the Oversight Board determines, in its sole discretion, that such covered territory or covered territorial instrumentality, as applicable, has successfully reached a voluntary agreement with holders of its Bond Claims to restructure such Bond Claims-</p>

	<p>(A) except as provided in subparagraph (C), if an applicable Fiscal Plan has been certified, in a manner that provides for a sustainable level of debt for such covered territory or covered territorial instrumentality, as applicable, and is in conformance with the applicable certified Fiscal Plan;</p> <p>(cont.)</p> <p>(B) except as provided in subparagraph (C), if an applicable Fiscal Plan has not yet been certified, in a manner that provides, in the Oversight Board's sole discretion, for a sustainable level of debt for such covered territory or covered territorial instrumentality; or</p> <p>(C) notwithstanding subparagraphs (A) and (B), if an applicable Fiscal Plan has not yet been certified and the voluntary agreement is limited solely to an extension of applicable principal maturities and interest on Bonds issued by such covered territory or covered territorial instrumentality, as applicable, for a period of up to one year during which time no interest will be paid on the Bond Claims affected by the voluntary agreement.</p> <div style="display: flex; align-items: center; margin-top: 20px;">  <div style="margin-left: 10px;"> <p>Update: The Board has published on its website the Certification of the COFINA's Adjustment Plan and its amendments.</p> </div> </div>
<p><b>SEC. 104. (l) PENALTIES (3) REPORT BY GOVERNOR ON DISCIPLINARY ACTIONS TAKEN</b></p>	<p>In the case of a violation of paragraph (2) by an officer or employee of the territorial government, the Governor shall immediately report to the Oversight Board all pertinent facts together with a statement of the action taken thereon.</p>
<p><b>SEC. 104. (m) ELECTRONIC REPORTING</b></p>	<p>The Oversight Board may, in consultation with the Governor, ensure the prompt and efficient payment and administration of taxes through the adoption of electronic reporting, payment and auditing technologies.</p>
<p><b>SEC. 107. BUDGET AND FUNDING FOR OPERATION OF OVERSIGHT BOARD (a) SUBMISSION OF BUDGET; (b) FUNDING, and (b) (1) PERMANENT FUNDING</b></p>	<p>The Oversight Board shall submit a budget for each fiscal year during which the Oversight Board is in operation, to the President, the House of Representatives Committee on Natural Resources and the Senate Committee on Energy and Natural Resources, the Governor, and the Legislature.</p> <p>The Oversight Board shall use its powers with respect to the Territory Budget of the covered territory to ensure that sufficient funds are available to cover all expenses of the Oversight Board</p> <p>Within 30 days after the date of enactment of this Act, the territorial government shall designate a dedicated funding source, not subject to subsequent legislative appropriations, sufficient to support the annual expenses of the Oversight Board as determined in the Oversight Board's sole and exclusive discretion.</p> <div style="display: flex; align-items: center; margin-top: 20px;">  <div style="margin-left: 10px;"> <p>Update: The Board's budget for FY 2018 and FY 2019 was published on their website.</p> </div> </div>
<p><b>SEC. 109. ETHICS</b></p>	<p><b>(a) CONFLICT OF INTEREST.</b>-Notwithstanding any ethics provision governing employees of the covered territory, all members and staff of the Oversight Board shall be subject to the Federal conflict of interest requirements described in section 208 of title 18, United States Code.</p> <p><b>(b) FINANCIAL DISCLOSURE.</b>-Notwithstanding any ethics provision governing employees of the covered territory, all members of the Oversight Board and staff designated by the Oversight Board shall be subject to disclosure of their financial interests, the contents of which shall conform to the same requirements set forth in section 102 of the Ethics in Government Act of 1978 (5 U.S.C. App.).</p> <div style="display: flex; align-items: center; margin-top: 20px;">  <div style="margin-left: 10px;"> <p>Update as per the Board's Bylaws as amended: <b>Section 11.4 Compliance with Section 109 of the Act</b> <b>(b):</b> In accordance with section 109(a) of the Act, all members and the ex officio member of the Board, the Executive Director and all other staff shall be subject to the Federal conflict-of-interest requirements described in section 208 of title 18,</p> </div> </div>

	<p>United States Code. It shall be the responsibility of the Ethics Advisor to (i) review all situations that raise potential conflicts of interest issues, (ii) determine if any Board or staff member should be disqualified from involvement in any activities of the Board based upon a conflict of interest and (iii) grant any exemptions that he or she deems appropriate.</p> <p>(c): In accordance with section 109(b) of the Act, all members and the ex officio member of the Board, the Executive Director and staff designated by the Board (collectively, "Disclosure Persons") shall be subject to disclosure of their financial interests as follows: [...] <b>(6) Publication.</b> After review by the Ethics Advisor, the financial interest information provided by each Disclosure Person shall be published on the Board's website.</p> <p>*Although the Board's Bylaws require the publication of the financial interest information, to date the submitted reports do not comply with Federal Law requirements regarding assets declarations.</p>
<p><b>SEC. 201. APPROVAL OF FISCAL PLANS.</b></p>	<p><b>(a) IN GENERAL.</b>-As soon as practicable after all of the members and the Chair have been appointed to the Oversight Board in accordance with section 101(e) in the fiscal year in which the Oversight Board is established, and in each fiscal year thereafter during which the Oversight Board is in operation, the Oversight Board shall deliver a notice to the Governor providing a schedule for the process of development, submission, approval, and certification of Fiscal Plans. The notice may also set forth a schedule for revisions to any Fiscal Plan that has already been certified, which revisions must be subject to subsequent approval and certification by the Oversight Board. The Oversight Board shall consult with the Governor in establishing a schedule, but the Oversight Board shall retain sole discretion to set or, by delivery of a subsequent notice to the Governor, change the dates of such schedule as it deems appropriate and reasonably feasible.</p> <p><b>(c) DEVELOPMENT, REVIEW, APPROVAL, AND CERTIFICATION OF FISCAL PLANS</b></p> <p><b>(2) FISCAL PLAN DEVELOPED BY GOVERNOR.</b>-The Governor shall submit to the Oversight Board any proposed Fiscal Plan required by the Oversight Board by the time specified in the notice delivered under subsection (a).</p> <p><b>(3) REVIEW BY THE OVERSIGHT BOARD.</b>-The Oversight Board shall review any proposed Fiscal Plan to determine whether it satisfies the requirements set forth in subsection (b) and, if the Oversight Board determines in its sole discretion that the proposed Fiscal Plan— (A) satisfies such requirements, the Oversight Board shall approve the proposed Fiscal Plan; or (B) does not satisfy such requirements, the Oversight Board shall provide to the Governor— (i) a notice of violation that includes recommendations for revisions to the applicable Fiscal Plan; and (ii) an opportunity to correct the violation in accordance with subsection (d)(1).</p> <p><b>(e) APPROVAL AND CERTIFICATION</b></p> <p><b>(1) APPROVAL OF FISCAL PLAN DEVELOPED BY GOVERNOR.</b>-If the Oversight Board approves a Fiscal Plan under subsection (c)(3), it shall deliver a compliance certification for such Fiscal Plan to the Governor and the Legislature.</p> <p><b>(2) DEEMED APPROVAL OF FISCAL PLAN DEVELOPED BY OVERSIGHT BOARD.</b>-If the Oversight Board develops a Fiscal Plan under subsection (d)(2), such Fiscal Plan shall be deemed approved by the Governor, and the Oversight Board shall issue a compliance certification for such Fiscal Plan to the Governor and the Legislature.</p> <div data-bbox="511 1669 649 1806"> </div> <p>Update: The Board has published on its website the Fiscal Plan submitted by the Governor, as well as the Board's recommendations. Its approval and certification by the Board have also been published.</p>
<p><b>SEC. 202. APPROVAL OF BUDGETS.</b></p>	<p><b>(a) REASONABLE SCHEDULE FOR DEVELOPMENT OF BUDGETS.</b>-As soon as practicable after all of the members and the Chair have been appointed to the Oversight Board in the fiscal year in which the Oversight Board is established, and in each fiscal year thereafter during which the Oversight Board is in operation, the Oversight Board shall deliver a notice to the Governor and the Legislature providing a</p>

schedule for developing, submitting, approving, and certifying Budgets for a period of fiscal years as determined by the Oversight Board in its sole discretion but in any case a period of not less than one fiscal year following the fiscal year in which the notice is delivered. The notice may also set forth a schedule for revisions to Budgets that have already been certified, which revisions must be subject to subsequent approval and certification by the Oversight Board. The Oversight Board shall consult with the Governor and the Legislature in establishing a schedule, but the Oversight Board shall retain sole discretion to set or, by delivery of a subsequent notice to the Governor and the Legislature, change the dates of such schedule as it deems appropriate and reasonably feasible.

**(b) REVENUE FORECAST.**-The Oversight Board shall submit to the Governor and Legislature a forecast of revenues for the period covered by the Budgets by the time specified in the notice delivered under subsection (a), for use by the Governor in developing the Budget under subsection (c).

**(c) BUDGETS DEVELOPED BY GOVERNOR**

**(1) GOVERNOR'S PROPOSED BUDGET.**-The Governor shall submit to the Oversight Board proposed Budgets by the time specified in the notice delivered under subsection (a). In consultation with the Governor in accordance with the process specified in the notice delivered under subsection (a), the Oversight Board shall determine in its sole discretion whether each proposed Budget is compliant with the applicable Fiscal Plan and— (A) if a proposed Budget is a compliant budget, the Oversight Board shall— (i) approve the Budget; and (ii) if the Budget is a Territory Budget, submit the Territory Budget to the Legislature; or (B) if the Oversight Board determines that the Budget is not a compliant budget, the Oversight Board shall provide to the Governor— (i) a notice of violation that includes a description of any necessary corrective action; and (ii) an opportunity to correct the violation in accordance with paragraph (2).

**(2) GOVERNOR'S REVISIONS.**-The Governor may correct any violations identified by the Oversight Board and submit a revised proposed Budget to the Oversight Board in accordance with paragraph (1). The Governor may submit as many revised Budgets to the Oversight Board as the schedule established in the notice delivered under subsection (a) permits. If the Governor fails to develop a Budget that the Oversight Board determines is a compliant budget by the time specified in the notice delivered under subsection (a), the Oversight Board shall develop and submit to the Governor, in the case of an Instrumentality Budget, and to the Governor and the Legislature, in the case of a Territory Budget, a revised compliant budget.

**(d) BUDGET APPROVAL BY LEGISLATURE**

**(1) LEGISLATURE ADOPTED BUDGET.**- The Legislature shall submit to the Oversight Board the Territory Budget adopted by the Legislature by the time specified in the notice delivered under subsection (a). The Oversight Board shall determine whether the adopted Territory Budget is a compliant budget and (A) if the adopted Territory Budget is a compliant budget, the Oversight Board shall issue a compliance certification for such compliant budget pursuant to subsection (e); and (B) if the adopted Territory Budget is not a compliant budget, the Oversight Board shall provide to the Legislature— (i) a notice of violation that includes a description of any necessary corrective action; and (ii) an opportunity to correct the violation in accordance with paragraph (2).

**(2) LEGISLATURE REVISIONS.**- The Legislature may correct any violations identified by the Oversight Board and submit a revised Territory Budget to the Oversight Board in accordance with the process established under paragraph (1) and by the time specified in the notice delivered under subsection (a). The Legislature may submit as many revised adopted Territory Budgets to the Oversight Board as the schedule established in the notice delivered under subsection (a) permits. If the Legislature fails to adopt a Territory Budget that the Oversight Board determines is a compliant budget by the time specified in the notice delivered under subsection (a), the Oversight Board shall develop a revised Territory Budget that is a compliant budget and submit it to the Governor and the Legislature.

**(e) CERTIFICATION OF BUDGETS**

**(1) CERTIFICATION OF DEVELOPED AND APPROVED TERRITORY BUDGETS.**- If the Governor and the Legislature develop and approve a Territory Budget that is a compliant budget by the day before the first day of the fiscal year for which the Territory Budget is being developed and in accordance with the process established under subsections (c) and (d), the Oversight Board shall issue a compliance certification to the Governor and the Legislature for such Territory Budget.

**(2) CERTIFICATION OF DEVELOPED INSTRUMENTALITY BUDGETS.-** If the Governor develops an Instrumentality Budget that is a compliant budget by the day before the first day of the fiscal year for which the Instrumentality Budget is being developed and in accordance with the process established under subsection (c), the Oversight Board shall issue a compliance certification to the Governor for such Instrumentality Budget.

**(3) DEEMED CERTIFICATION OF TERRITORY BUDGETS.-** If the Governor and the Legislature fail to develop and approve a Territory Budget that is a compliant budget by the day before the first day of the fiscal year for which the Territory Budget is being developed, the Oversight Board shall submit a Budget to the Governor and the Legislature (including any revision to the Territory Budget made by the Oversight Board pursuant to subsection (d)(2)) and such Budget shall be— (A) deemed to be approved by the Governor and the Legislature; (B) the subject of a compliance certification issued by the Oversight Board to the Governor and the Legislature; and (C) in full force and effect beginning on the first day of the applicable fiscal year.

**(4) DEEMED CERTIFICATION OF INSTRUMENTALITY BUDGETS.-** If the Governor fails to develop an Instrumentality Budget that is a compliant budget by the day before the first day of the fiscal year for which the Instrumentality Budget is being developed, the Oversight Board shall submit an Instrumentality Budget to the Governor (including any revision to the Instrumentality Budget made by the Oversight Board pursuant to subsection (c)(2)) and such Budget shall be— (A) deemed to be approved by the Governor; (B) the subject of a compliance certification issued by the Oversight Board to the Governor; and (C) in full force and effect beginning on the first day of the applicable fiscal year.

**(f) JOINT DEVELOPMENT OF BUDGETS.-** Notwithstanding any other provision of this section, if, in the case of a Territory Budget, the Governor, the Legislature, and the Oversight Board, or in the case of an Instrumentality Budget, the Governor and the Oversight Board, jointly develop such Budget for the fiscal year that meets the requirements under this section, and that the relevant parties certify that such budget reflects a consensus among them, then such Budget shall serve as the Budget for the territory or territorial instrumentality for that fiscal year.



Update:  
The Board published the budget and its certification on its website.

**SEC. 203. EFFECT OF FINDING OF NONCOMPLIANCE WITH BUDGET**

**(a) SUBMISSION OF REPORTS.-**Not later than 15 days after the last day of each quarter of a fiscal year (beginning with the fiscal year determined by the Oversight Board), the Governor shall submit to the Oversight Board a report, in such form as the Oversight Board may require, describing— (1) the actual cash revenues, cash expenditures, and cash flows of the territorial government for the preceding quarter, as compared to the projected revenues, expenditures, and cash flows contained in the certified Budget for such preceding quarter; and (2) any other information requested by the Oversight Board, which may include a balance sheet or a requirement that the Governor provide information for each covered territorial instrumentality separately.

[...]

**(c) CERTIFICATION**

**(1) INCONSISTENCY.-**If the territorial government fails to provide additional information under subsection (b)(1)(A), or fails to correct an inconsistency under subsection (b)(1)(B), prior to the applicable deadline under subsection (b)(2), the Oversight Board shall certify to the President, the House of Representatives Committee on Natural Resources, the Senate Committee on Energy and Natural Resources, the Governor, and the Legislature that the territorial government is inconsistent with the applicable certified Budget, and shall describe the nature and amount of the inconsistency.

**(2) CORRECTION.-**If the Oversight Board determines that the territorial government has initiated such measures as the Oversight Board considers sufficient to correct an inconsistency certified under paragraph (1), the Oversight Board shall certify the correction to the President, the House of Representatives Committee on Natural Resources, the Senate Committee on Energy and Natural



	<p>Resources, the Governor, and the Legislature.</p> <p><b>(d) BUDGET REDUCTIONS BY OVERSIGHT BOARD.</b>-If the Oversight Board determines that the Governor, in the case of any then-applicable certified Instrumentality Budgets, and the Governor and the Legislature, in the case of the then-applicable certified Territory Budget, have failed to correct an inconsistency identified by the Oversight Board under subsection (c), the Oversight Board shall— (1) with respect to the territorial government, other than covered territorial instrumentalities, make appropriate reductions in nondebt expenditures to ensure that the actual quarterly revenues and expenditures for the territorial government are in compliance with the applicable certified Territory Budget or, in the case of the fiscal year in which the Oversight Board is established, the budget adopted by the Governor and the Legislature; and (2) with respect to covered territorial instrumentalities at the sole discretion of the Oversight Board— (A) make reductions in nondebt expenditures to ensure that the actual quarterly revenues and expenses for the covered territorial instrumentality are in compliance with the applicable certified Budget or, in the case of the fiscal year in which the Oversight Board is established, the budget adopted by the Governor and the Legislature or the covered territorial instrumentality, as applicable; or (B)(i) institute automatic hiring freezes at the covered territorial instrumentality; and (ii) prohibit the covered territorial instrumentality from entering into any contract or engaging in any financial or other transactions, unless the contract or transaction was previously approved by the Oversight Board.</p> <p>[...]</p> <div data-bbox="511 751 649 886" data-label="Image"> </div> <p>Update: The Board has published in its website letters requesting to government entities to provide access to their financial data. The Board as well has published certifications regarding inconsistencies with the certified budget.</p>
<p><b>SEC. 204. REVIEW OF ACTIVITIES TO ENSURE COMPLIANCE WITH FISCAL PLAN</b></p>	<p><b>(a) SUBMISSION OF LEGISLATIVE ACTS TO OVERSIGHT BOARD</b></p> <p><b>(1) SUBMISSION OF ACTS.</b>-Except to the extent that the Oversight Board may provide otherwise in its bylaws, rules, and procedures, not later than 7 business days after a territorial government duly enacts any law during any fiscal year in which the Oversight Board is in operation, the Governor shall submit the law to the Oversight Board.</p> <p><b>(2) COST ESTIMATE; CERTIFICATION OF COMPLIANCE OR NONCOMPLIANCE.</b>-The Governor shall include with each law submitted to the Oversight Board under paragraph (1) the following: (A) A formal estimate prepared by an appropriate entity of the territorial government with expertise in budgets and financial management of the impact, if any, that the law will have on expenditures and revenues. (B) If the appropriate entity described in subparagraph (A) finds that the law is not significantly inconsistent with the Fiscal Plan for the fiscal year, it shall issue a certification of such finding. (C) If the appropriate entity described in subparagraph (A) finds that the law is significantly inconsistent with the Fiscal Plan for the fiscal year, it shall issue a certification of such finding, together with the entity’s reasons for such finding.</p> <p><b>(3) NOTIFICATION.</b>-The Oversight Board shall send a notification to the Governor and the Legislature if— (A) the Governor submits a law to the Oversight Board under this subsection that is not accompanied by the estimate required under paragraph (2)(A); (B) the Governor submits a law to the Oversight Board under this subsection that is not accompanied by either a certification described in paragraph (2)(B) or (2)(C); or (C) the Governor submits a law to the Oversight Board under this subsection that is accompanied by a certification described in paragraph (2)(C) that the law is significantly inconsistent with the Fiscal Plan.</p> <p><b>(4) OPPORTUNITY TO RESPOND TO NOTIFICATION</b></p> <p>[...]</p> <p><b>(B) SUBMISSION OF CERTIFICATION OF SIGNIFICANT INCONSISTENCY WITH FISCAL PLAN AND BUDGET.</b>-In accordance with such procedures as the Oversight Board may establish, after sending a notification to the Governor and Legislature under paragraph (3)(C) that a law is significantly inconsistent with the Fiscal Plan, the Oversight Board shall direct the territorial government to— (i) correct the law to</p>

eliminate the inconsistency; or (ii) provide an explanation for the inconsistency that the Oversight Board finds reasonable and appropriate.

**(5) FAILURE TO COMPLY.-** If the territorial government fails to comply with a direction given by the Oversight Board under paragraph (4) with respect to a law, the Oversight Board may take such actions as it considers necessary, consistent with this Act, to ensure that the enactment or enforcement of the law will not adversely affect the territorial government's compliance with the Fiscal Plan, including preventing the enforcement or application of the law.

**(6) PRELIMINARY REVIEW OF PROPOSED ACTS.-** At the request of the Legislature, the Oversight Board may conduct a preliminary review of proposed legislation before the Legislature to determine whether the legislation as proposed would be consistent with the applicable Fiscal Plan under this subtitle, except that any such preliminary review shall not be binding on the Oversight Board in reviewing any law subsequently submitted under this subsection.

**(b) EFFECT OF APPROVED FISCAL PLAN ON CONTRACTS, RULES AND REGULATIONS**

[...]

**(2) AUTHORITY TO REVIEW CERTAIN CONTRACTS.-** The Oversight Board may establish policies to require prior Oversight Board approval of certain contracts, including leases and contracts to a governmental entity or government-owned corporations rather than private enterprises that are proposed to be executed by the territorial government, to ensure such proposed contracts promote market competition and are not inconsistent with the approved Fiscal Plan.

[...]

**(5) FAILURE TO COMPLY.-** If a contract, rule, regulation, or executive order fails to comply with policies established by the Oversight Board under this subsection, the Oversight Board may take such actions as it considers necessary to ensure that such contract, rule, executive order or regulation will not adversely affect the territorial government's compliance with the Fiscal Plan, including by preventing the execution or enforcement of the contract, rule, executive order or regulation.

**(c) RESTRICTIONS ON BUDGETARY ADJUSTMENTS**

**(1) SUBMISSIONS OF REQUESTS TO OVERSIGHT BOARD.-** If the Governor submits a request to the Legislature for the reprogramming of any amounts provided in a certified Budget, the Governor shall submit such request to the Oversight Board, which shall analyze whether the proposed reprogramming is significantly inconsistent with the Budget, and submit its analysis to the Legislature as soon as practicable after receiving the request.



Update:

The Board published a policy regarding the review and approval of contracts exceeding \$10 million.

The Board has published as well certifications and notifications regarding inconsistencies with proposed amendments to the budget.

**SEC. 205. RECOMMENDATIONS ON FINANCIAL STABILITY AND MANAGEMENT RESPONSIBILITY**

**(a) IN GENERAL.-**The Oversight Board may at any time submit recommendations to the Governor or the Legislature on actions the territorial government may take to ensure compliance with the Fiscal Plan, or to otherwise promote the financial stability, economic growth, management responsibility, and service delivery efficiency of the territorial government, including recommendations relating to— (1) the management of the territorial government's financial affairs, including economic forecasting and multiyear fiscal forecasting capabilities, information technology, placing controls on expenditures for personnel, reducing benefit costs, reforming procurement practices, and placing other controls on expenditures; (2) the structural relationship of departments, agencies, and independent agencies within the territorial government; (3) the modification of existing revenue structures, or the establishment of additional revenue structures; (4) the establishment of alternatives for meeting obligations to pay for the pensions of territorial government employees; (5) modifications or transfers of the types of services that are the responsibility of, and are delivered by the territorial government; (6) modifications of the types

of services that are delivered by entities other than the territorial government under alternative service delivery mechanisms; (7) the effects of the territory's laws and court orders on the operations of the territorial government; (8) the establishment of a personnel system for employees of the territorial government that is based upon employee performance standards; (9) the improvement of personnel training and proficiency, the adjustment of staffing levels, and the improvement of training and performance of management and supervisory personnel; and (10) the privatization and commercialization of entities within the territorial government .



Update:

The Board has published on its website letters with recommendations to the Governor and Legislature.

**(b) RESPONSE TO RECOMMENDATIONS BY THE TERRITORIAL GOVERNMENT**

**(1) IN GENERAL.-** In the case of any recommendations submitted under subsection (a) that are within the authority of the territorial government to adopt, not later than 90 days after receiving the recommendations, the Governor or the Legislature (whichever has the authority to adopt the recommendation) shall submit a statement to the Oversight Board that provides notice as to whether the territorial government will adopt the recommendations.

**(2) IMPLEMENTATION PLAN REQUIRED FOR ADOPTED RECOMMENDATIONS.-**If the Governor or the Legislature (whichever is applicable) notifies the Oversight Board under paragraph (1) that the territorial government will adopt any of the recommendations submitted under subsection (a), the Governor or the Legislature (whichever is applicable) shall include in the statement a written plan to implement the recommendation that includes— (A) specific performance measures to determine the extent to which the territorial government has adopted the recommendation; and (B) a clear and specific timetable pursuant to which the territorial government will implement the recommendation.

(cont.)

**(3) EXPLANATIONS REQUIRED FOR RECOMMENDATIONS NOT ADOPTED.-**If the Governor or the Legislature (whichever is applicable) notifies the Oversight Board under paragraph (1) that the territorial government will not adopt any recommendation submitted under subsection (a) that the territorial government has authority to adopt, the Governor or the Legislature shall include in the statement explanations for the rejection of the recommendations, and the Governor or the Legislature shall submit such statement of explanations to the President and Congress.

**SEC. 206. OVERSIGHT BOARD DUTIES RELATED TO RESTRUCTURING (b) ISSUANCE OF RESTRUCTURING CERTIFICATION**

The issuance of a restructuring certification under this section requires a vote of no fewer than 5 members of the Oversight Board in the affirmative, which shall satisfy the requirement set forth in section 302(2) of this Act.



Update:

The Board published on its website the certificate of restructuring issued under Title III of PROMESA.

**SEC. 208. REQUIRED REPORTS (a) ANNUAL REPORT**



Not later than 30 days after the last day of each fiscal year, the Oversight Board shall submit a report to the President, Congress, the Governor and the Legislature, describing— (1) the progress made by the territorial government in meeting the objectives of this Act during the fiscal year; (2) the assistance provided by the Oversight Board to the territorial government in meeting the purposes of this Act during the fiscal year; (3) recommendations to the President and Congress on changes to this Act or other Federal laws, or other actions of the Federal Government, that would assist the territorial government in complying with any certified Fiscal Plan; (4) the precise manner in which funds allocated to the Oversight Board under section 107 and, as applicable, section 104(e) have been spent by the Oversight Board during the fiscal year; and (5) any other activities of the Oversight Board during the fiscal year.



Update as per the Board's Bylaws as amended:

**Section 8.1 Annual report:** In accordance with section 208 of the Act, the Board shall submit and make public an annual report to the President, Congress, the Governor and the Legislature.

<p><b>SEC. 208. (c) QUARTERLY REPORTS OF CASH FLOW</b></p>	<p>The Oversight Board, when feasible, shall report on the amount of cash flow available for the payment of debt service on all notes, bonds, debentures, credit agreements, or other instruments for money borrowed whose enforcement is subject to a stay or moratorium hereunder, together with any variance from the amount set forth in the debt sustain- ability analysis of the Fiscal Plan under section 201(b)(1)(l).</p>
<p><b>SEC. 211. ANALYSIS OF PENSIONS (a) DETERMINATION</b></p>	<p>If the Oversight Board determines, in its sole discretion, that a pension system of the territorial government is materially underfunded, the Oversight Board shall conduct an analysis prepared by an independent actuary of such pension system to assist the Oversight Board in evaluating the fiscal and economic impact of the pension cash flows.</p> <div style="display: flex; align-items: center; margin-top: 20px;">  <p>Update: The Board published on its website the Pensions Reform Plan of the Government of Puerto Rico.</p> </div>
<p><b>SEC. 404. APPLICATION OF REGULATION TO PUERTO RICO</b></p>	<p><b>(a) SPECIAL RULE.</b>-The regulations proposed by the Secretary of Labor relating to exemptions regarding the rates of pay for executive, administrative, professional, outside sales, and computer employees, and published in a notice in the Federal Register on July 6, 2015, and any final regulations issued related to such notice, shall have no force or effect in the Commonwealth of Puerto Rico until— (1) the Comptroller General of the United States completes the assessment and transmits the report required under subsection (b); and (2) the Secretary of Labor, taking into account the assessment and report of the Comptroller General, provides a written determination to Congress that applying such rule to Puerto Rico would not have a negative impact on the economy of Puerto Rico.</p> <p><b>(b) ASSESSMENT AND REPORT.</b>-Not later than two years after the date of enactment of this Act, the Comptroller General shall examine the economic conditions in Puerto Rico and shall transmit a report to Congress assessing the impact of applying the regulations described in subsection (a) to Puerto Rico, taking into consideration regional, metropolitan, and non-metropolitan salary and cost-of-living differences.</p> <p>(cont.)</p> <p><b>(c) SENSE OF CONGRESS.</b>-It is the sense of Congress that (1) the Bureau of the Census should conduct a study to determine the feasibility of expanding data collection to include Puerto Rico and the other United States territories in the Current Population Survey, which is jointly administered by the Bureau of the Census and the Bureau of Labor Statistics, and which is the primary source of labor force statistics for the population of the United States.</p>
<p><b>SEC. 408. GAO REPORT ON SMALL BUSINESS ADMINISTRATION PROGRAMS IN PUERTO RICO</b></p>	<p>Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following new subsection:</p> <p>“(t) Not later than one year after the date of enactment of this subsection, the Comptroller General of the United States shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the application and utilization of contracting activities of the Administration (including contracting activities relating to HUBZone small business concerns) in Puerto Rico. The report shall also identify any provisions of Federal law that may create an obstacle to the efficient implementation of such contracting activities.”</p> <div style="display: flex; align-items: center; margin-top: 20px;">  <p>Update: The Board published on its website the GAO’s report.</p> </div>
<p><b>SEC. 409. CONGRESSIONAL TASK FORCE ON ECONOMIC GROWTH IN PUERTO RICO</b></p>	<p>[...]</p> <p><b>(f) STATUS UPDATE.</b>-Between September 1, 2016, and September 15, 2016, the Task</p>

	<p>Force shall provide a status update to the House and Senate that includes— (1) information the Task Force has collected; and (2) a discussion on matters the chairman of the Task Force deems urgent for consideration by Congress.</p> <p><b>(g) REPORT.</b>-Not later than December 31, 2016, the Task Force shall issue a report of its findings to the House and Senate regarding (1) impediments in current Federal law and programs to economic growth in Puerto Rico including equitable access to Federal health care programs; (2) recommended changes to Federal law and programs that, if adopted, would serve to spur sustainable long-term economic growth, job creation, reduce child poverty, and attract investment in Puerto Rico; (3) the economic effect of Administrative Order No. 346 of the Department of Health of the Commonwealth of Puerto Rico (relating to natural products, natural supplements, and dietary supplements) or any successor or substantially similar order, rule, or guidance of the Commonwealth of Puerto Rico; and (4) additional information the Task Force deems appropriate.</p> <p>[...]</p> <p><b>(i) HEARINGS AND SESSIONS.</b>-The Task Force may, for the purpose of carrying out this section, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Task Force considers appropriate. If the Task Force holds hearings, at least one such hearing must be held in Puerto Rico.</p> <p>[...]</p> <div style="display: flex; align-items: center;">  <div style="margin-left: 10px;"> <p>Update: The Board published on its website the Task Force's report.</p> </div> </div>
<p><b>SEC. 410. REPORT</b></p>	<p>Not later than 18 months after the date of the enactment of this Act, the Comptroller General shall submit a report to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate describing— (1) the conditions which led to the level of debt, which should be analyzed, per capita and based upon overall economic activity; (2) how actions of the territorial government improved or impaired the territory's financial conditions; and (3) recommendations on non-fiscal actions, or policies that would not imperil America's homeland and national security, that could be taken by Congress or the Administration to avert future indebtedness of territories, while respecting sovereignty and constitutional parameters.</p> <div style="display: flex; align-items: center;">  <div style="margin-left: 10px;"> <p>Update: The Board published on its website the report.</p> </div> </div>
<p><b>SEC. 411. REPORT ON TERRITORIAL DEBT</b></p>	<p><b>(a) REPORT REQUIRED.</b>-Not later than one year after the date of the enactment of this Act, and thereafter not less than once every two years, the Comptroller General of the United States shall submit to Congress a report on the public debt of each territory, including— (1) the historical levels of each territory's public debt, current amount and composition of each territory's public debt, and future projections of each territory's public debt; (2) the historical levels of each territory's revenue, current amount and composition of each territory's revenue, and future projections of each territory's revenue; (3) the drivers and composition of each territory's public debt; (4) the effect of Federal laws, mandates, rules, and regulations on each territory's public debt; and (5) the ability of each territory to repay its public debt.</p> <p><b>(b) MATERIALS.</b>-The government of each territory shall make available to the Comptroller General of the United States all materials necessary to carry out this section.</p> <p>(The Comptroller General released de report but the Financial Oversight Board has not published the report in its website).</p>

<p><b>SEC. 412. EXPANSION OF HUBZONES IN PUERTO RICO</b></p>	<p><b>(a) IN GENERAL.-</b></p> <p>[...]</p> <p><b>(2) REGULATIONS.-</b>The Administrator of the Small Business Administration shall issue regulations to implement the amendment made by paragraph (1) not later than 90 days after the date of the enactment of this Act.</p> <p><b>(b) IMPROVING OVERSIGHT</b></p> <p><b>(1) GUIDANCE.-</b>Not later than 270 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall develop and implement criteria and guidance on using a risk-based approach to requesting and verifying information from entities applying to be designated or recertified as qualified HUBZone small business concerns (as defined in section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5))).</p> <p><b>(2) ASSESSMENT.-</b>Not later 1 year after the date on which the criteria and guidance described in paragraph (1) is implemented, the Comptroller General of the United States shall begin an assessment of such criteria and guidance. Not later than 6 months after beginning such an assessment, the Comptroller General shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that includes— (A) an assessment of the criteria and guidance issued by the Administrator of the Small Business Administration in accordance with paragraph (1); (B) an assessment of the implementation of the criteria and guidance issued by the Administrator of the Small Business Administration in accordance with paragraph (1); (C) an assessment as to whether these measures have successfully ensured that only qualified HUBZone small business concerns are participating in the HUBZone program under section 31 of the Small Business Act (15 U.S.C. 657a); (D) an assessment as to whether the reforms made by the criteria and guidance implemented under paragraph (1) have resulted in job creation in the Commonwealth of Puerto Rico; and (E) recommendations on how to improve controls in the HUBZone program.</p>
<p><b>SEC. 502. POSITION OF REVITALIZATION COORDINATOR</b></p>	<p>[...]</p> <p><b>(b) APPOINTMENT</b></p> <p>[...]</p> <p><b>(3) COMPENSATION.-</b>The Revitalization Coordinator shall be compensated at an annual rate determined by the Oversight Board sufficient in the judgment of the Oversight Board to obtain the services of a person with the skills and experience required to discharge the duties of the position, but such compensation shall not exceed the annual salary of the Executive Director.</p> <p>[...]</p> <div data-bbox="521 1608 646 1734" data-label="Image"> </div> <p>Update: The Board published on its website the contract of the Revitalization Coordinator where it says its anual compensation.</p>
<p><b>SEC. 503. CRITICAL PROJECTS</b></p>	<p><b>(a) IDENTIFICATION OF PROJECTS</b></p> <p><b>(1) PROJECT SUBMISSION.-</b>Any Project Sponsor may submit, so long as the Oversight Board is in operation, any existing, ongoing, or proposed project to the Revitalization Coordinator. The Revitalization Coordinator shall require such submission to include— (A) the impact the project will have on an emergency; (B) the availability of immediate private capital or other funds, including loan guarantees,</p>

loans, or grants to implement, operate, or maintain the project; (C) the cost of the project and amount of Puerto Rico government funds, if any, necessary to complete and maintain the project; (D) the environmental and economic benefits provided by the project, including the number of jobs to be created that will be held by residents of Puerto Rico and the expected economic impact, including the impact on rate-payers, if applicable; (E) the status of the project if it is existing or ongoing; and (F) in addition to the requirements found in subparagraphs (A) through (E), the Revitalization Coordinator may require such submission to include any or all of the following criteria that assess how the project will— (i) reduce reliance on oil for electric generation in Puerto Rico; (ii) improve performance of energy infrastructure and overall energy efficiency; (iii) expedite the diversification and conversion of fuel sources for electric generation from oil to natural gas and renewables in Puerto Rico as defined under applicable Puerto Rico laws; (iv) promote the development and utilization of energy sources found on Puerto Rico; (v) contribute to transitioning to privatized generation capacities in Puerto Rico; (vi) support the Energy Commission of Puerto Rico in achievement of its goal of reducing energy costs and ensuring affordable energy rates for consumers and business; or (vii) achieve in whole or in part the recommendations, if feasible, of the study in section 505(d) of this title to the extent such study is completed and not inconsistent with studies or plans otherwise required under Puerto Rico laws.

**(2) IDENTIFICATION OF RELEVANT PUERTO RICO AGENCIES.**-Within 20 days of receiving a project submission under paragraph (1), the Revitalization Coordinator shall, in consultation with the Governor, identify all Puerto Rico Agencies that will have a role in the permitting, approval, authorizing, or other activity related to the development of such project submission.

**(3) EXPEDITED PERMITTING PROCESS**

**(A) SUBMISSION OF EXPEDITED PERMITTING PROCESS.**-Not later than 20 days after receiving a project submission, each Puerto Rico Agency identified in paragraph (1) shall submit to the Revitalization Coordinator the Agency's Expedited Permitting Process.

[...]

**(c) ACTION BY THE OVERSIGHT BOARD.**-Not later than 30 days after receiving the Critical Project Report, the Oversight Board, by majority vote, shall approve or disapprove the project as a Critical Project, if the Oversight Board— (1) approves the project, the project shall be deemed a Critical Project; and (2) disapproves the project, the Oversight Board shall submit to the Revitalization Coordinator in writing the reasons for disapproval.



Update:

The Board published on its website a section on critical projects where it indicates the requirements to submit proposals.

**SEC. 504. MISCELLANEOUS PROVISIONS**

**(a) CREATION OF INTERAGENCY ENVIRONMENTAL SUBCOMMITTEE**

**(1) ESTABLISHMENT.**-Not later than 60 days after the date on which the Revitalization Coordinator is appointed, the Interagency Environmental Subcommittee shall be established and shall evaluate environmental documents required under Puerto Rico law for any Critical Project within the Expedited Permitting Process established by the Revitalization Coordinator under section 503(a)(3).

[...]

**(c) EXPEDITED PERMITTING PROCESS COMPLIANCE**

**(1) WRITTEN NOTICE.**-A Critical Project Sponsor may in writing notify the Oversight Board of the failure of a Puerto Rico Agency or the Revitalization Coordinator to adhere to the Expedited Permitting Process.

[...]

<p><b>SEC. 505. FEDERAL AGENCY REQUIREMENTS</b></p>	<p><b>(a) FEDERAL POINTS OF CONTRACT.</b>-At the request of the Revitalization Coordinator and within 30 days of receiving such a request, each Federal agency with jurisdiction over the permitting, or administrative or environmental review of private or public projects in Puerto Rico, shall name a Point of Contact who will serve as that agency's liaison with the Revitalization Coordinator.</p> <p><b>(b) FEDERAL GRANTS AND LOANS.</b>-For each Critical Project with a pending or potential Federal grant, loan, or loan guarantee application, the Revitalization Coordinator and the relevant Point of Contact shall cooperate with each other to ensure expeditious review of such application.</p> <p>[...]</p>
<p><b>SEC. 601. CREDITOR COLLECTIVE ACTION. (c) CERTIFICATION OF DISENFRANCHISED BONDS. (d) DETERMINATION OF POOLS FOR VOTING. (f) INFORMATION DELIVERY REQUIREMENT. (g) QUALIFYING MODIFICATION. (h) SOLICITATION. (i) WHO MAY PROPOSE A MODIFICATION. (j) VOTING. (m) BINDING EFFECT</b></p>	<p>[...]</p> <p><b>(c) CERTIFICATION OF DISENFRANCHISED BONDS.</b>-Prior to any vote on, or consent solicitation for, a Qualifying Modification, the Issuer shall deliver to the Calculation Agent a certificate signed by an authorized representative of the Issuer specifying any Bonds that are deemed not to be Outstanding for the purpose of subsection (b) above.</p> <p><b>(d) DETERMINATION OF POOLS FOR VOTING.</b>-The Administrative Supervisor, in consultation with the Issuer, shall establish Pools in accordance with the following: (1) Not less than one Pool shall be established for each Issuer. (2) A Pool that contains one or more Bonds that are secured by a lien on property shall be a Secured Pool. (3) The Administrative Supervisor shall establish Pools according to the following principles: (A) For each Issuer that has issued multiple Bonds that are distinguished by specific provisions governing priority or security arrangements, including Bonds that have been issued as general obligations of the Territory Government Issuer to which the Territory Government Issuer pledged the full or good faith, credit, and taxing power of the Territory Government Issuer, separate Pools shall be established corresponding to the relative priority or security arrangements of each holder of Bonds against each Issuer, as applicable, provided, however, that the term "priority" as used in this section shall not be understood to mean differing payment or maturity dates. (B) For each Issuer that has issued senior and subordinated Bonds, separate Pools shall be established for the senior and subordinated Bonds corresponding to the relative priority or security arrangements. (C) For each Issuer that has issued multiple Bonds, for at least some of which a guarantee of repayment has been provided by the Territory Government Issuer, separate Pools shall be established for such guaranteed and non-guaranteed Bonds. (D) Subject to the other requirements contained in this section, for each Issuer that has issued multiple Bonds, for at least some of which a dedicated revenue stream has been pledged for repayment, separate Pools for such Issuer shall be established as follows— (i) for each dedicated revenue stream that has been pledged for repayment, not less than one Secured Pool for Bonds for which such revenue stream has been pledged, and separate Secured Pools shall be established for Bonds of different priority; and (ii) not less than one Pool for all other Bonds issued by the Issuer for which a dedicated revenue stream has not been pledged for repayment. (E) The Administrative Supervisor shall not place into separate Pools Bonds of the same Issuer that have identical rights in security or priority. (4) Notwithstanding the preceding provisions of this subsection, solely with respect to a preexisting voluntary agreement as described in section 104(i)(3) of this Act, such voluntary agreement may classify Insured Bonds and uninsured bonds in different Pools and provide different treatment thereof so long as the preexisting voluntary agreement has been agreed to by—(A) holders of a majority in amount of all uninsured bonds outstanding in the modified Pool; and (B) holders (including insurers with power to vote) of a majority in amount of all Insured Bonds.</p> <p>[...] <b>(f) INFORMATION DELIVERY REQUIREMENT.</b>-Before solicitation of acceptance or rejection of a Modification under subsection (h), the Issuer shall provide to the Calculation Agent, the Information Agent, and the Administrative Supervisor, the following information— (1) a description of the Issuer's economic and financial circumstances which are, in the Issuer's opinion, relevant to the request for the proposed Qualifying Modification, a description of the Issuer's existing debts, a description of the impact of the proposed Qualifying Modification on the territory's or its territorial instrumentalities' public debt; (2) if the Issuer is seeking Modifications affecting any other Pools of Bonds of the Territory Government Issuer or its Authorized Territorial Instrumentalities, a description of such other Modifications; (3) if a Fiscal Plan with respect to such Issuer has been certified, the applicable Fiscal Plan certified in accordance with section 201; and (4) such other information as may be required under applicable securities laws.</p>



**(g) QUALIFYING MODIFICATION.**—A Modification is a Qualifying Modification if one of the following processes has occurred:

**(1) CONSULTATION PROCESS.**— (A) the Issuer proposing the Modification has consulted with holders of Bonds in each Pool of such Issuer prior to soliciting a vote on such Modification; (B) each exchanging, repurchasing, converting, or substituting holder of Bonds of any series in a Pool affected by that Modification is offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, repurchasing, converting, or substituting holder of Bonds of any series in a Pool affected by that Modification (or, where a menu of instruments or other consideration is offered, each exchanging, repurchasing, converting, or substituting holder of Bonds of any series in a Pool affected by that Modification is offered the same amount of consideration per amount of principal, the same amount of consideration per amount of interest accrued but unpaid and the same amount of consideration per amount of past due interest, respectively, as that offered to each other exchanging, repurchasing, converting, or substituting holder of Bonds of any series in a Pool affected by that Modification electing the same option under such menu of instruments); and (C) the Modification is certified by the Administrative Supervisor as being consistent with the requirements set forth in section 104(i)(1) and is in the best interests of the creditors and is feasible.

[...]

**(h) SOLICITATION**

(1) Upon receipt of a certification from the Administrative Supervisor under subsection (g), the Information Agent shall, if practical and except as provided in paragraph (2), submit to the holders of any Outstanding Bonds of the relevant Issuer, including holders of the right to vote such Outstanding Bonds, the information submitted by the relevant Issuer under subsection (f)(1) in order to solicit the vote of such holders to approve or reject the Qualifying Modification. (2) If the Information Agent is unable to identify the address of holders of any Outstanding Bonds of the relevant Issuer, the Information Agent may solicit the vote or consent of such holders by— (A) delivering the solicitation to the paying agent for any such Issuer or Depository Trust Corporation if it serves as the clearing system for any of the Issuer's Outstanding Bonds; or (B) delivering or publishing the solicitation by whatever additional means the Information Agent, after consultation with the Issuer, deems necessary and appropriate in order to make a reasonable effort to inform holders of any Outstanding Bonds of the Issuer which may include, notice by mail, publication in electronic media, publication on a website of the Issuer, or publication in newspapers of national circulation in the United States and in a newspaper of general circulation in the territory.

**(i) WHO MAY PROPOSE A MODIFICATION.**—For each Issuer, a Modification may be proposed to the Administrative Supervisor by the Issuer or by one or more holders of the right to vote the Issuer's Outstanding Bonds. To the extent a Modification proposed by one or more holders of the right to vote Outstanding Bonds otherwise complies with the requirements of this title, the Administrative Supervisor may accept such Modification on behalf of the Issuer, in which case the Administrative Supervisor will instruct the Issuer to provide the information required in subsection (f).

**(j) VOTING.**—For each Issuer, any Qualifying Modification may be made with the affirmative vote of the holders of the right to vote at least two-thirds of the Outstanding Principal amount of the Outstanding Bonds in each Pool that have voted to approve or reject the Qualifying Modification, provided that holders of the right to vote not less than a majority of the aggregate Outstanding Principal amount of all the Outstanding Bonds in each Pool have voted to approve the Qualifying Modification. The holder of the right to vote the Outstanding Bonds that are Insured Bonds shall be the monoline insurer insuring such Insured Bond to the extent such insurer is granted the right to vote Insured Bonds for purposes of directing remedies or consenting to proposed amendments or modifications as provided in the applicable documents pursuant to which such Insured Bond was issued and insured.

[...]

**(m) BINDING EFFECT**

(1) A Qualifying Modification will be conclusive and binding on all holders of Bonds whether or not they have given such consent, and on all future holders of those Bonds whether or not notation of such

Qualifying Modification is made upon the Bonds, if— (A) the holders of the right to vote the Outstanding Bonds in every Pool of the Issuer pursuant to subsection (j) have consented to or approved the Qualifying Modification; (B) the Administrative Supervisor certifies that— (i) the voting requirements of this section have been satisfied; (ii) the Qualifying Modification complies with the requirements set forth in section 104(i)(1); and (iii) except for such conditions that have been identified in the Qualifying Modification as being nonwaivable, any conditions on the effectiveness of the Qualifying Modification have been satisfied or, in the Administrative Supervisor's sole discretion, satisfaction of such conditions has been waived; (C) with respect to a Bond Claim that is secured by a lien on property and with respect to which the holder of such Bond Claim has rejected or not consented to the Qualifying Modification, the holder of such Bond— (i) retains the lien securing such Bond Claims; or (ii) receives on account of such Bond Claim, through deferred cash payments, substitute collateral, or otherwise, at least the equivalent value of the lesser of the amount of the Bond Claim or of the collateral securing such Bond Claim; and (D) the district court for the territory or, for any territory that does not have a district court, the United States District Court for the District of Hawaii, has, after reviewing an application submitted to it by the applicable Issuer for an order approving the Qualifying Modification, entered an order that the requirements of this section have been satisfied.

(2) Upon the entry of an order under paragraph (1)(D), the conclusive and binding Qualifying Modification shall be valid and binding on any person or entity asserting claims or other rights, including a beneficial interest (directly or indirectly, as principal, agent, counterpart, subrogee, insurer or otherwise) in respect of Bonds subject to the Qualifying Modification, any trustee, any collateral agent, any indenture trustee, any fiscal agent, and any bank that receives or holds funds related to such Bonds. All property of an Issuer for which an order has been entered under paragraph (1)(D) shall vest in the Issuer free and clear of all claims in respect of any Bonds of any other Issuer. Such Qualifying Modification will be full, final, complete, binding, and conclusive as to the territorial government Issuer, other territorial instrumentalities of the territorial government Issuer, and any creditors of such entities, and should not be subject to any collateral attack or other challenge by any such entities in any court or other forum. Other than as provided herein, the foregoing shall not prejudice the rights and claims of any party that insured the Bonds, including the right to assert claims under the Bonds as modified following any payment under the insurance policy, and no claim or right that may be asserted by any party in a capacity other than holder of a Bond affected by the Qualifying Modification shall be satisfied, released, discharged, or enjoined by this provision.

[...]

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